GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5116
ANSWERED ON:25.08.2000
EXPERT COMMITTEE ON TAXATION OF LIFE INSURANCE
VILAS BABURAO MUTTEMWAR

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have constituted an Expert Committee on taxation of life insurance sector;

(b) if so, whether the Expert Committee was required to examine various aspects relating to taxation of life insurance sector including the international practices;

(c) if so, the details thereof; and

(d) by when the Committee likely to submit its report?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (V. DHANANJAYA KUMAR)

(a) : Yes, Sir.

(b) : Yes, Sir.

(c) : The Expert Committee is required to examine various aspects relating to taxation of life insurance sector including, inter alia, the international practices in this regard, and to recommend the taxation structure in respect of profits of the life insurance business under the Income-tax Act, 1961, keeping in view the fact that life insurance sector has now been opened up for private companies also and it is no more the exclusive privilege of the Life Insurance Corporation of India.

(d) : The Committee was constituted on 20th April, 2000 and was required to submit its report within four months. The Committee has requested for extension of time which is under consideration.